STATE OF TENNESSEE

Office of the Attorney General



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Reply to:

Consumer Advocate and Protection Division Post Office Box 20207 Nashville, TN 37202

April 30, 2004

Honorable Deborah Taylor Tate Chairman Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243

IN RE: Petition for Exemption of Certain Services

Docket 03-00391

Dear Chairman Tate:

Enclosed is an original and thirteen copies of the Consumer Advocate and Protection Division's Second Set of Discovery Requests to BellSouth Telecommunications, Inc., in regard to Docket No. 03-00391. Please file same in this docket. Copies are being sent to all parties of record.

Should you have any questions, please contact me at (615) 741-1671. Thank you.

Sincerely

Assistant Attorney General

CC: All Parties of Record

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IN THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

IN RE:)	
)	
PETITION FOR EXEMPTION OF)	
CERTAIN SERVICES)	DOCKET NO. 03-00391
)	
)	

CONSUMER ADVOCATE AND PROTECTION DIVISION'S SECOND SET OF DISCOVERY REQUESTS TO BELLSOUTH TELECOMMUNICATIONS, INC.

Comes now Paul G. Summers, Attorney General and Reporter for the State of Tennessee, through the Consumer Advocate and Protection Division of the Office of the Attorney General ("Consumer Advocate"), pursuant to Tenn. Code Ann. § 65-4-118(c)(2)(A) and the Tennessee Rules of Civil Procedure, and hereby propounds the following Discovery Requests to:

BellSouth Telecommunications, Inc. c/o Joelle Phillips, Esq. 333 Commerce Street, Suite 2101 Nashville, Tennessee 37201-3300

These Interrogatories and Requests for Production are hereby served upon BellSouth Telecommunications, Inc. ("BellSouth" or "Company"), pursuant to Rules 26, 33 and 34 of the Tennessee Rules of Civil Procedure and Tenn. Comp. R. & Reg 1220-1-2-.11. The Consumer Advocate requests that full and complete responses be provided pursuant to the Tennessee Rules of Civil Procedure. The responses are to be produced at the Office of the Tennessee Attorney General and Reporter, Consumer Advocate and Protection Division, 425 Fifth Avenue North, Nashville, Tennessee 37243, c/o Joe Shirley, on or before May 10, 2004.

PRELIMINARY MATTERS AND DEFINITIONS

Each Discovery Request calls for all knowledge, information and material available to BellSouth, as a party, whether it be BellSouth's, in particular, or knowledge, information or material possessed or available to BellSouth's attorney or other representative.

These Discovery Requests are to be considered continuing in nature, and are to be supplemented from time to time as information is received by BellSouth which would make a prior response inaccurate, incomplete, or incorrect. In addition, the Consumer Advocate requests that BellSouth supplement responses hereto with respect to any question directly addressed to the identity and location of persons having knowledge of discoverable matters, and the identity of each person expected to be called as an expert at hearing, the subject matter on which the expert is expected to testify, and the substance of the expert's testimony.

These Discovery Requests are to be interpreted broadly to fulfill the benefit of full discovery. To assist BellSouth in providing full and complete discovery, the Consumer Advocate provides the following definitional guidelines for purposes of responding to these Interrogatories and Requests for Production.

The term "communication" as used herein, means any transmission of information by oral, graphic, pictorial or otherwise perceptible means, including but not limited to personal conversations, telephone conversations, letters, memoranda, telegrams, electronic mail, newsletters, recorded or handwritten messages, or otherwise.

The term "document" as used herein, means any medium upon which intelligence or information can be recorded or retrieved, such as any written, printed, typed, drawn, filmed, taped, or recorded medium in any manner, however produced or reproduced, including but not

limited to any writing, drawing, graph, chart, form, photograph, tape recording, computer disk or record, or other data compilation in any form without limitation. Produce the original and each copy, regardless of origin or location, of any book, pamphlet, periodical, letter, note, report, memorandum (including memoranda, note or report of a meeting or conversation), spreadsheet, photograph, videotape, audio tape, computer disk, e-mail, or any other written, typed, reported, transcribed, punched, taped, filmed, or graphic matter, however produced or reproduced, which is in your possession, custody or control or which was, but is no longer, in your possession, custody, or control. If any such document or thing was, but no longer is, in your possession or control, state what disposition was made of it and when. If a document exists in different versions, including any dissimilar copies (such as a duplicate with handwritten notes on one copy), each version shall be treated as a different document and each must be identified and produced.

The term "you" and "your" shall mean and include: BellSouth Telecommunications, Inc. and all employees, agents and representatives thereof.

The term "person" or "persons" as used herein refers to any natural person, corporation, firm, company, sole proprietorship, partnership, business, unincorporated association, or other entity of any sort whatsoever. Where a company or organization is the party being served, all responses must include the company's response. Moreover, the company's designated person for responding must assure that the company provides complete answers. A complete answer must provide a response which includes all matters known or reasonably available to the company.

The term "identity" and "identify" as used herein, with respect to any person, means to provide their name, current business address, current business telephone number, and the

occupation or Job title of that person; with respect to an entity, those terms that mean to provide the name by which said entity is commonly known, the current address of its principal place of business, and the nature of business currently conducted by that entity; with respect to any document, those terms that mean to provide the date of the document, the nature of the document, and the title (if any) of the document.

The terms "and" and "or" shall be construed conjunctively or disjunctively as necessary to include any information that might otherwise be construed outside the scope of these requests.

If you produce documents in response to these Interrogatories, produce the original of each document or, in the alternative, identify the location of the original document. If the "original" document is itself a copy, that copy should be produced as the original.

If any objections are raised on the basis of privilege or immunity, include in your response a complete explanation concerning the privilege asserted.

If you contend that you are entitled to refuse to fully answer any of this discovery, state the exact legal basis for each such refusal.

If any of the Interrogatories or Requests for Production is not answered on the basis of privilege or immunity, include in your response to each such Interrogatory or Request for Production a written statement evidencing:

- (a) the nature of the communication;
- (b) the date of the communication;
- (c) the identity of the persons present at such communication; and
- (d) a brief description of the communication sufficient to allow the Tennessee

 Regulatory Authority ("TRA") to rule on a motion to compel.

If, for any reason, you are unable to answer a Discovery Request fully, submit as much information as is available and explain why your answer is incomplete. If precise information cannot be supplied, submit 1) your best estimate, so identified, and your basis for the estimate and 2) such information available to you as comes closest to providing the information requested. If you have reason to believe that other sources of more complete and accurate information exist, identify those sources.

If any information requested is not furnished as requested, state where and how the information may be obtained or extracted, the person or persons having knowledge of the procedure and the person instructing that the information be excluded.

SECOND DISCOVERY REQUESTS

INTERROGATORIES

Consistent with the preceding definitions and preliminary matters, answer under oath the following specific Interrogatories:

Interrogatory No. 1

Identify each expert witness you intend to present in this docket and, for each, state:

- a) the subject or subjects upon which the expert will testify;
- b) the basis for your assertion that the witness is qualified as an expert including, but not limited to, a current curriculum vitae;
- c) all tests, studies, measurements, experiments, or other analysis or actions performed or observed by the expert relating to the expert's testimony;
- d) all opinions that the expert will present in this docket and the basis for each opinion; and

e) all facts of which you or the expert are aware that support those opinions.

Response:

Interrogatory No. 2

Refer to BellSouth's response to the Consumer Advocate's first discovery request,

Interrogatory No. 15, wherein BellSouth stated, "The only *cause* of an increase or decrease in rates for intraLATA toll service in a competitive market would be market forces." Set forth and describe with specificity the market forces in the Tennessee intraLATA toll market that would cause an increase in rates for intraLATA toll services in Tennessee.

Response:

Interrogatory No. 3

Refer to BellSouth's response to the Consumer Advocate's first discovery request,
Interrogatory No. 1, wherein BellSouth stated, "The Authority shall retain jurisdiction to hear
complaints relating to the intraLATA toll services provided by any carrier in Tennessee, except
that such complaints shall not be heard with respect to pricing other than complaints for belowcost pricing." If exemption is granted as sought by BellSouth in this docket, identify the
statutory basis for the TRA's "jurisdiction to hear complaints" as well as the legal claims,
including, but not limited to, claims for anticompetitiveness and discrimination, over which the
TRA would retain jurisdiction to hear complaints relating to the intraLATA toll services

provided by any carrier in Tennessee. In your response, reference those authorities (e.g., statutes, rules or orders) on which a prospective complainant, including both consumers and competing toll carriers, could base such claims.

Response:

Interrogatory No. 4

For each of the following retail telecommunications services, provide the volume of resale provisioned by the Company in Tennessee pursuant to existing federal resale obligations:

<u>Tarıff</u>	<u>Service</u>
A3.2.11	Area Plus Service
A3.43	BellSouth Business Plus Service
A3.44	BellSouth Business Choice Package
A18.3	Two-Point Service
A18.4	Conference Service
A19	Wide Area Telecommunications Service
A20	Optional Calling Plans

Response:

Interrogatory No. 5

If exemption is granted as sought by BellSouth in this docket, state for each of the following retail services whether BellSouth would continue to make the retail services described in the referenced tariffs available for resale at the wholesale discount rate established by the TRA:

<u>Tariff</u>	<u>Service</u>
A3.2.11	Area Plus Service
A3.43	BellSouth Business Plus Service
A3 44	BellSouth Business Choice Package
A18.3	Two-Point Service
A18.4	Conference Service
A19	Wide Area Telecommunications Service
A20	Optional Calling Plans

Response:

Interrogatory No. 6

Refer to BellSouth's response to the Consumer Advocate's first discovery request,
Interrogatory No. 2, wherein BellSouth stated, "With respect to changes related to tariffing, like
our IXC competitors, BellSouth would submit a price list establishing the price or price bandrange at which it will offer intraLATA toll services. BellSouth will withdraw those tariffs
currently on file with the Authority which involve intraLATA toll services." If BellSouth is
permitted to withdraw its tariffs and submit a price list establishing a price band-range at which it
will offer intraLATA toll services, would BellSouth offer the intraLATA toll services for resale
at the wholesale discount off the lowest price contained in the price band-range? If not, explain
in detail how BellSouth would determine the wholesale price of resold services for those
intraLATA toll services where BellSouth is permitted to submit a price list establishing a price
band-range.

Interrogatory No. 7

Refer to BellSouth's response to the Consumer Advocate's first discovery request,
Interrogatory No. 2, wherein BellSouth stated, "As a general matter, BellSouth's offering of
IntraLATA toll services would substantially mirror the practices used by interexchange carriers
in Tennessee if exemption is granted as sought by BellSouth in this docket." Set forth and
describe with specificity how BellSouth's offering of intraLATA toll services would substantially
mirror the practices used by interexchange carriers in Tennessee if exemption is granted as
sought by BellSouth in this docket.

Response:

Interrogatory No. 8

Refer to BellSouth's response to the Consumer Advocate's first discovery request,
Interrogatory No. 2, wherein BellSouth stated, "Specifically, BellSouth would withdraw or revise
the following sections of its tariff:

Area Plus® Service
BellSouth Business Plus® Service
BellSouth Business Choice® Package
Two-Point Service
Service Between Land Wire Stations — Residence
Service Through Mobile Telephone Service Base Stations
Special Service Through Miscellaneous Common Carriers
Optional Calling Plans
Service Between Land Wire Stations — Business
Conference Service
General
Applications of Charges

A19.5	Rates and Charges
A19.5.4	Monthly Rates and Charges
A19.5.5	Method for Determining Usage Charges
A19.5.6	Charges for Fractional Periods
A19.5.7	Installation Charges
A19.5.9	Access Line Terminations
A19.5.10	WATS Extension Lines
A19.5.13	Mınımum Service Period
A19.5.14	Allowance for Interruptions
A19.5.16	Directory Listings (Toll-Free Dialing Service Only)
A19.5.17	Connecting Arrangements
A19.5.18	Data Access Arrangements
A19-5.20	Toll Free Dialing (TFD) Service Charges
A19.5.21	Add-On TFD Service
A20.1	General
A20.2	General Regulations
A20.3	Rates
A20.4	Easy Calling Plans
A20.5	BellSouth 25¢ Call Plan"

With regard to changes that BellSouth would make to its tariffs if exemption is granted as sought by BellSouth in this docket, identify which of the above-referenced tariff sections BellSouth would withdraw and which tariff sections BellSouth would revise, and describe the substantive nature of any such revisions.

Response:

Interrogatory No. 9

Refer to BellSouth's response to the Consumer Advocate's first discovery request,
Interrogatory No. 3, wherein BellSouth stated, "BellSouth believes that each of the regulatory
developments that permit Long Distance competition ion (sic) Tennessee have also encouraged

and resulted in competition in the intraLATA toll market." Set forth and describe the regulatory developments that permit Long Distance competition in Tennessee which also have encouraged and resulted in competition in the intraLATA toll market.

Response:

Interrogatory No. 10

Refer to BellSouth's response to the Consumer Advocate's first discovery request,
Interrogatory No. 9, wherein BellSouth stated, "BellSouth is able to determine that the number of
BellSouth local customers PICed to BellSouth for intraLATA toll has declined over the past
three years. Among end users who receive local service from BellSouth or a reseller, BellSouth
is able to compare the number of such end users PICed to BellSouth to the number of such end
users who are PICed to another provider." Provide the PIC information and data discussed in
BellSouth's response.

Response:

Interrogatory No. 11

With respect to the market for intraLATA toll service provided by wireline carriers in Tennessee, provide any information that you have regarding the relative market shares of respective wireline carriers.

Interrogatory No. 12

With respect to the market for interLATA toll service provided by wireline carriers in Tennessee, provide any information that you have regarding the relative market shares of respective wireline carriers.

Response:

Interrogatory No. 13

With respect to the market for intraLATA toll service provided by wireline carriers in Tennessee, provide any information that you have regarding the relative market share of BellSouth.

Response:

Interrogatory No. 14

With respect to the market for interLATA toll service provided by wireline carriers in Tennessee, provide any information that you have regarding the relative market share of BellSouth.

Interrogatory No. 15

With respect to the market for intraLATA toll service provided by wireline carriers in Tennessee, state whether or not BellSouth is the toll carrier for more than half of the wireline intraLATA toll service traffic in the geographic regions served by BellSouth.

Response:

Interrogatory No. 16

With respect to the market for interLATA toll service provided by wireline carriers in Tennessee, state whether or not BellSouth is the toll carrier for more than half of the wireline interLATA toll service traffic in the geographic regions served by BellSouth.

Response:

Interrogatory No. 17

Identify each person who may have discoverable factual information relative to the subject matter of the intraLATA toll phase of this docket.

REQUESTS FOR PRODUCTION

Consistent with the preceding definitions and preliminary matters, produce the following communications and documents:

Request for Production No. 1

Identify and produce a copy of all communications and documents pertaining or referring to the cost or estimated cost of the following services:

A3.2.11	Area Plus Service
A3.43	BellSouth Business Plus Service
A3.44	BellSouth Business Choice Package
A18.3	Two-Point Service
A18.4	Conference Service
A19	Wide Area Telecommunications Service
A20	Optional Calling Plans

Response:

Request for Production No. 2

Identify and produce a copy of all communications and documents pertaining or referring to the cost or estimated cost of providing the following contract service arrangements:

TRA No.	CSA No.	Service
99-00075	TN98-5037-00	WatsSaver
00-00306	TN99-6698-02	WatsSaver
00-00372	TN99-6698-02	Toll-Free Dialing
00-00567	TN00-1298-00	WatsSaver
00-00568	TN99-3321-01	Toll-Free Dialing
00-00676	TN99-1533-02	WatsSaver
00-00721	TN00-0710-02	WatsSaver
01-00230	TN00-9023-01	WatsSaver
01-00396	TN99-5475-00	WatsSaver/TFD
01-00470	TN00-1796-01	WatsSaver

01-00919	TN01-A499-00	WatsSaver
02-00027	TN01-5816-01	WatsSaver
02-00062	TN01-C465-02	WatsSaver
02-00084	TN01-A393-00	WatsSaver
02-00178	TN01-C875-00	WatsSaver
02-00215	TN01-6726-01	WatsSaver
02-00216	TN01-C771-00	WatsSaver
03-00149	TN02-3102-02	WatsSaver
02-00452	TN02-4608-04	WatsSaver
02-00488	TN01-1085-00	WatsSaver/TFD
02-00542	TN02-1228-01	WatsSaver
02-00671	TN02-3092-00	WatsSaver
02-00818	TN02-9409-03	WatsSaver
02-01011	TN01-C786-04	WatsSaver
02-01031	TN02-8385-01	WatsSaver
02-01035	TN02-B995-00	WatsSaver
02-01228	TN02-M570-00	WatsSaver
03-00049	TN02-B339-02	WatsSaver
2003-618	TN03-1273-03	WatsSaver
2004-297	TN04-0896-00	WatsSaver
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Response:

Request for Production No. 3

Identify and produce a copy of all communications and documents that specifically discuss or reference the issue of whether existing and potential competition is an effective regulator of the price of intraLATA toll service in Tennessee.

Request for Production No. 4

Identify and produce a copy of any and all communications and documents reviewed to prepare your responses to these Interrogatories and Requests for Production.

prepare your responses to these Interrogatories and Requests for Production.		
Response:		
	<u>OATH</u>	
STATE OF	•	
COUNTY OF		
Ι,	, on behalf of BellSouth Telecommunications,	
to the Interrogatories submitted by t	, on behalf of BellSouth Telecommunications, ag to law, make oath that the preceding answers and responses the Consumer Advocate and Protection Division of the Office curate and correct to the best of my knowledge, information	
	BELLSOUTH TELECOMMUNICATIONS, INC.	
	Ву:	
	Its:	
Sworn to and subscribed before me this day of, 2004.		
	Notary Public	
My Commission Expires:		

RESPECTFULLY SUBMITTED,

PAUL G. SUMMERS, B.P.R. #6285 Attorney General State of Tennessee

JOE SHIRLEY, B.P.R. #022287

Assistant Attorney General
Office of the Attorney General
Consumer Advocate and Protection Division
P.O. Box 20207
Nashville, Tennessee 37202

(615) 532-2590

Dated: April 30, 2004

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via facsimile or first-class U.S. Mail, postage prepaid, on April 30, 2004, upon:

Joelle Phillips, Esq.
BellSouth Telecommunications, Inc.
333 Commerce Street, Suite 2101
Nashville, Tennessee 37201-3300

Henry Walker, Esq.
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JOE SHIRLEY

Assistant Attorney General

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